

# NEWS RELEASE

**OFFICE OF THE UNITED STATES ATTORNEY  
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***For Immediate Release***

***DECEMBER 16, 2005***

## ***NINETEEN INDICTED FOR ODOMETER FRAUD OFFENSES***

Edward E. McNally, United States Attorney for the Southern District of Illinois, announced today that the Federal Grand Jury sitting in East St. Louis, Illinois, returned indictments against 19 individuals from Memphis, Tennessee for mail fraud, wire fraud, odometer tampering and making false odometer statements. Those indicted were Johnnie Martin Costello, 39; Tommy Gerard Costello, 47; Eddie Gorman, 64; Johnnie J. Gorman, 39; Joseph Gerard Gorman, 38; John Webb, 48; James Boswell, 50; Mary Boswell, 52; William Carroll, 45; Ed Costello, 48; Harry Joseph Costello, 43; James Costello, 60; Jim J Costello, 50; Pat G. Costello, 47; Pat J. Costello, 36; Johnny McNally, 36; Tom G. Riley, 37; Jackie Costello, 55 and Wilson Costello, 52. The violations took place in October and November, 2003, in Monroe, Bond and Lawrence Counties, Illinois. An indictment is a formal charge against a defendant. Under the law, a defendant is presumed to be innocent of a charge until proven guilty beyond a reasonable doubt to the satisfaction of a jury.

The defendants were charged for a scheme involving the fraudulent disconnecting of vehicle odometers that were used in the defendants' occupations as traveling, self-employed painters. As part of that scheme, approximately 20 vehicles were later traded to various dealerships in Illinois, without disclosing the true mileage on the vehicles, thereby causing a loss of about \$10,000 per vehicle.

Each mail or wire fraud offense carries with it a maximum penalty of 20 years' imprisonment or a fine of \$250,000 or both. Each odometer tampering or false odometer statement offense carries a maximum penalty of 3 years' imprisonment or \$250,000 fine or both.

Information for the indictments was obtained in an investigation conducted by United States Postal Inspection Service, the Illinois Secretary of State Police, and the National Insurance Crime Bureau. The cases are being prosecuted by Assistant United States Attorney Mike Quinley.